

Section 1. Chapter 6 (commencing with Section 50216) is added to Part 1 of Division 31 of the Health and Safety Code, to read:

CHAPTER 6. Homeless Aid for Planning and Shelter Program [50216 – 50220]

50216. For purposes of this chapter, the following definitions shall apply:

- (a) “Agency” means the Business, Consumer Services, and Housing Agency.
- (b) “Applicant” means a Continuum of Care, city, or county that is also a county.
- (c) “Continuum of Care” means the group organized to provide coordinated services to homeless individuals pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019. This group is composed of representatives of organizations such as nonprofit homeless services providers, faith-based organizations, businesses, governments, public housing agencies, victim service providers, medical providers, advocates, law enforcement, social service providers, school districts, universities, mental health services providers, affordable housing developers, and organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons, to the extent they reside within the geographic area and are available to participate.
- (d) “Coordinated Entry System” means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate program participant intake, assessment, and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.
- (e) “Council” means the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.
- (f) “County” includes, but is not limited to, a city and county.
- (g) “Emergency shelter” has the same meaning as defined in subdivision (e) of section 50801 of the Health and Safety Code.

(h) “Homeless” has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019.

(i) “Homeless Emergency Aid Program” means the grant program administered pursuant to Chapter 5 of Part 1 of Division 31 of the Health and Safety Code.

(j) “Homeless Management Information System” means the information system designated by a Continuum of Care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term “Homeless Management Information System” also includes the use of a comparable database by a victim services provider or legal services provider that is permitted by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.

(k) “Homeless point-in-time count” means the 2017 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

(l) “Homeless youth” means an unaccompanied youth between 12 and 24 years of age, inclusive, who is experiencing homelessness, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)). “Homeless youth” includes unaccompanied youth who are pregnant or parenting.

(m) “Housing First” has the same meaning as in Section 8255 of the Welfare and Institutions Code, including all of the core components listed therein.

(n) “Joint regional plan” means a plan developed by the applicant in collaboration with city, county, and/or nonprofit partners to address homelessness.

(o) “Jurisdiction” means a city, city that is also a county, or Continuum of Care, as defined in this section.

(p) “Meeting milestones allocation” means the portion of program funds available to jurisdictions that show progress in addressing homelessness, in the amount of two hundred million dollars (\$200,000,000).

(q) “Navigation center” means a Housing First, low-barrier, service-enriched shelter that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

(r) “Positive housing exits” means exits to shelter or permanent housing without reentry to homelessness during the program reporting period, consistent with “System Performance

Measure 7: Destination Classification” in federal U.S. Department of Housing and Urban Development guidelines.

(s) “Program” means the Homeless Aid for Planning and Shelter program established pursuant to this chapter.

(t) “Regional planning allocation” means the portion of program funds available to develop joint regional plans and expand or develop shelter to address homelessness, in the amount of three hundred million dollars (\$300,000,000).

50217.

(a) The Homeless Aid for Planning and Shelter program is hereby established for the purpose of providing jurisdictions with one-time grant funds to support regional planning, expanding or developing shelter for the homeless, and meeting milestones towards addressing homelessness in each jurisdiction.

(b) Upon appropriation by the Legislature, five hundred million dollars (\$500,000,000) shall be distributed in accordance with this chapter.

(c) The agency shall administer the program, which shall provide grant funds to cities, cities that are also counties, and Continuums of Care.

(1) No more than five percent of the funds available pursuant to this chapter shall be expended on state operations.

(2) If there are funds set aside for state operations that are not anticipated to be expended within the proposed encumbrance period, the agency shall work with the Department of Finance to identify an appropriate allocation methodology for these funds for local jurisdictions, or determine if any unallocated funds should revert to the General Fund. The allocation methodology or reversion to the General Fund shall be approved by the Department of Finance with notification provided to the Joint Legislative Budget Committee.

(d) The agency’s decision to approve or deny an application and the determination of the amount of funding to be provided shall be final.

(e) The agency shall maintain records of the following:

(1) The number of applications for program funding received by the agency.

(2) The number of applications for program funding denied by the agency.

(3) The name of each recipient of program funds.

(f) In administering this chapter, the agency shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

50218. Regional planning allocation.

(a) Upon appropriation by the Legislature, three hundred million dollars (\$300,000,000) of the funds administered pursuant to this chapter shall be available for regional planning allocations.

(1) Two hundred million dollars (\$200,000,000) of the funding available pursuant to this section shall be available for Continuums of Care. Allocations shall be calculated based on each Continuum of Care's proportionate share of the total homeless population, according to the 2017 homeless point-in-time count.

(2) One hundred million dollars (\$100,000,000) of the funding available pursuant to this section shall be available to each city or city that is also a county that has a population as of January 1, 2019 of 300,000 or more, according to data published on the Department of Finance's Internet Web site. These allocations shall be calculated based on the proportionate share of the total homeless population of the jurisdiction, based on the 2017 homeless point-in-time count.

(3) Notwithstanding paragraph (1) or paragraph (2), allocations shall not exceed thirty percent for a given applicant in the allocations available pursuant to this subdivision. Allocation calculations shall be adjusted accordingly for the funds available in paragraph (1) and paragraph (2), and shall reflect a proportionate share of the total 2017 homeless point-in-time count for all other applicants.

(4) Any amounts not awarded pursuant to this section shall be available for award pursuant to section 50219.

(b) In order to be eligible for a regional planning allocation, an applicant shall demonstrate the following, in a format provided by the agency:

(1) The applicant has collaborated in its application and has committed to future collaboration with city, county, and/or nonprofit partners.

(2) The applicant has prepared a joint regional plan to address homelessness within its jurisdiction. At a minimum, the plan shall do the following:

(A) Identify all funds currently being used to provide housing and homeless services for the homeless populations in the jurisdiction. These funds include but are not limited to federal funds, Homeless Emergency Aid Program funds, California Emergency Solutions and Housing funds pursuant to Chapter 2.8 of Part 2 of Division 31 of the Health and Safety Code, Mental Health Services Act funds pursuant to Section 5890 of the Welfare and Institutions Code, realignment funds pursuant to Section 30025 of the Government Code and Section 17606.10 of the Welfare and Institutions Code, and dedicated city and county funds.

(B) Provide data on the demographics and characteristics of the homeless populations in the jurisdiction and on current programs providing housing and homeless services in the jurisdiction, as reported to the federal government through Homeless Management Information Systems and point-in-time counts.

(C) Assess existing efforts to address homelessness and identify gaps in housing and homeless services for the homeless populations in the jurisdiction.

(D) Identify measurable goals and milestones for progress towards meeting these goals, including for addressing the needs of homeless youth.

(3) For the funding available pursuant to paragraph (2) of subdivision (a), an applicant that is a city or city that is also a county shall submit the joint regional plan included in its corresponding Continuum of Care application for the funding available pursuant to paragraph (1) of subdivision (a). If no joint regional plan is submitted for its Continuum of Care, a city or city that is also a county may prepare its own joint regional plan that meets the requirements of this subdivision.

(c) The applicant must provide evidence that the joint regional plan to address homelessness within its jurisdiction has been approved by the city council or board of supervisors.

(d) Regional planning allocations shall be used for the following eligible activities:

(1) Emergency shelters, including costs to develop or construct new shelters, expand existing facilities, rehabilitate or maintain existing facilities, and extend operations.

(2) Navigation centers, including costs to develop or construct new centers, expand existing facilities, rehabilitate or maintain existing facilities, and extend operations, including needed on-site staffing to connect individuals experiencing homeless with services and longer-term housing opportunities.

(3) Up to ten percent of the regional planning allocation may be used by the applicant for capacity building to create rapid rehousing or prevention programs to further positive housing exits.

(e) Notwithstanding subdivision (d), at any time prior to the expenditure deadline in section 50220, applicants that demonstrate that they have created enough shelter capacity to house their homeless population, as identified by their 2017 point-in-time count, may propose additional uses to address homelessness in their application. The agency shall review the proposal and approve or deny the proposed uses of funds, to ensure that the uses are appropriate and will reduce homelessness in the jurisdiction. If the applicant's proposal is submitted following an initial award determination, the applicant shall submit a request to amend their contract. The agency shall review the proposal and notify the applicant of approval or denial within 30 days.

(1) No more than five percent of a regional planning allocation may be used by the applicant for administrative costs related to the execution of eligible activities. For purposes of this subdivision, "administrative costs" does not include staff costs directly related to carrying out the eligible activities pursuant to this subparagraph.

(2) Up to five percent of an applicant's regional planning allocation may be expended to reimburse eligible costs incurred no sooner than July 1, 2019 for the development of its joint regional plan prior to receipt of the regional planning allocation. These costs may include costs related to infrastructure development to support coordinated entry systems and Homeless Management Information Systems in alignment with the priorities and goals identified in the jurisdiction's joint regional plan.

50219. Meeting milestones allocation.

(a) Upon appropriation by the legislature, two hundred million dollars (\$200,000,000) of the funds administered pursuant to this chapter shall be available for meeting milestones allocations.

(b) In order to be eligible for a meeting milestones allocation, an applicant shall demonstrate in its application the progress that has been made, in accordance with the measurable goals and milestones identified in the applicant's joint regional plan, and including but not limited to:

(1) The number of homeless individuals and families who were provided shelter and navigation center services funded with a regional planning allocation, as well as with any and all other fund sources, including the Homeless Emergency Aid Program, since the applicant's joint regional plan was approved.

(2) The increase in the number of emergency shelter and navigation center beds available for use in the jurisdiction as a result of a regional planning allocation, as well as any and all other fund sources, including the Homeless Emergency Aid Program, since the applicant's joint regional plan was approved. State-owned armories used for temporary housing shall not qualify under this paragraph.

(3) An assessment of existing efforts and progress made to address homelessness in the jurisdiction since the applicant's joint regional plan was approved.

(4) The number of positive housing exits, as defined in Section 50216(r).

(c) The agency shall evaluate each applicant's progress toward meeting milestones and determine the extent that measurable progress has been made, pursuant to the goals and milestones identified in the applicant's joint regional plan. The agency shall determine an allocation to each eligible applicant based on a quantitative measure of each applicant's progress in addressing homelessness pursuant to the goals and milestones identified in its joint regional plan.

(d) Funds shall be expended on general purposes. An applicant shall report all uses of these funds to the agency, pursuant to Section 50220.

50220.

(a) (1) No later than December 1, 2019, each applicant shall submit to the agency its regional planning allocation application and, at a minimum, the information described in paragraph (b) of Section 50218.

(2) No later than February 1, 2020, each applicant shall submit to the agency the city council or board of supervisors resolution adopting the final joint regional plan. The

applicant will include a written summary of any changes to the joint regional plan since it was submitted to the agency on or before December 1, 2019.

(3) The agency shall review each joint regional plan for consistency with this chapter. By March 1, 2020, the agency shall make award determinations for the regional planning allocation.

(4) Not less than 50 percent of regional planning allocations must be contractually obligated by March 1, 2021. If less than 50 percent is obligated by March 1, 2021, any amounts not obligated by this deadline shall be returned to the agency and shall revert to the General Fund. Regional planning allocations may be used to reimburse eligible costs incurred no sooner than July 1, 2019 but prior to receipt of the regional planning allocation.

(5) One hundred percent of regional planning allocations must be expended by March 1, 2022. Any funds not expended by that date shall be returned to the agency and shall revert to the General Fund.

(b)(1) No later than March 1, 2022, each applicant shall submit to the agency its meeting milestones allocation application and, at a minimum, the information described in paragraph (1) of subdivision (b) of section 50219, in a format provided by the agency.

(2) The agency shall review each application and make award determinations for the meeting milestones allocation by June 1, 2022.

(3) One hundred percent of meeting milestones allocations must be contractually obligated by June 30, 2023. Any funds not contractually obligated by that date shall be returned to the agency and shall revert to the General Fund.

(4) No later than September 30, 2023, each applicant that receives a regional planning or meeting milestones allocation shall submit to the agency a final report that includes, at a minimum, the information identified in subdivision (b) of Section 50219, as well as detailed uses of all program funds.

(c) The agency may request additional information, as needed, to meet other applicable reporting or audit requirements.

(d) The agency may monitor expenditures and activities of an applicant, as the agency deems necessary, to ensure compliance with program requirements.

(e) The agency may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

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